



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Required Report - public distribution

Date: 4/19/2000

GAIN Report #CA0047

Canada

HRI Food Service Sector

Hotel, Restaurant, Institutional Sector Report -

Eastern Canada

2000

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Report Highlights: Canada's HRI sector enters Y2000 at a full gallop with gains in sales, units and customer reach. With Canada's present economic climate nurturing business growth and instilling greater consumer confidence and spending, the foodservice industry, particularly in the hotel and restaurant sectors where the low Canadian dollar is expected to continue to attract tourists and business travelers, is projecting sales and unit expansion well into 2000. Best opportunities exist for ethnic foods, value-added frozen entrees, value-added fresh produce and frozen seafood.

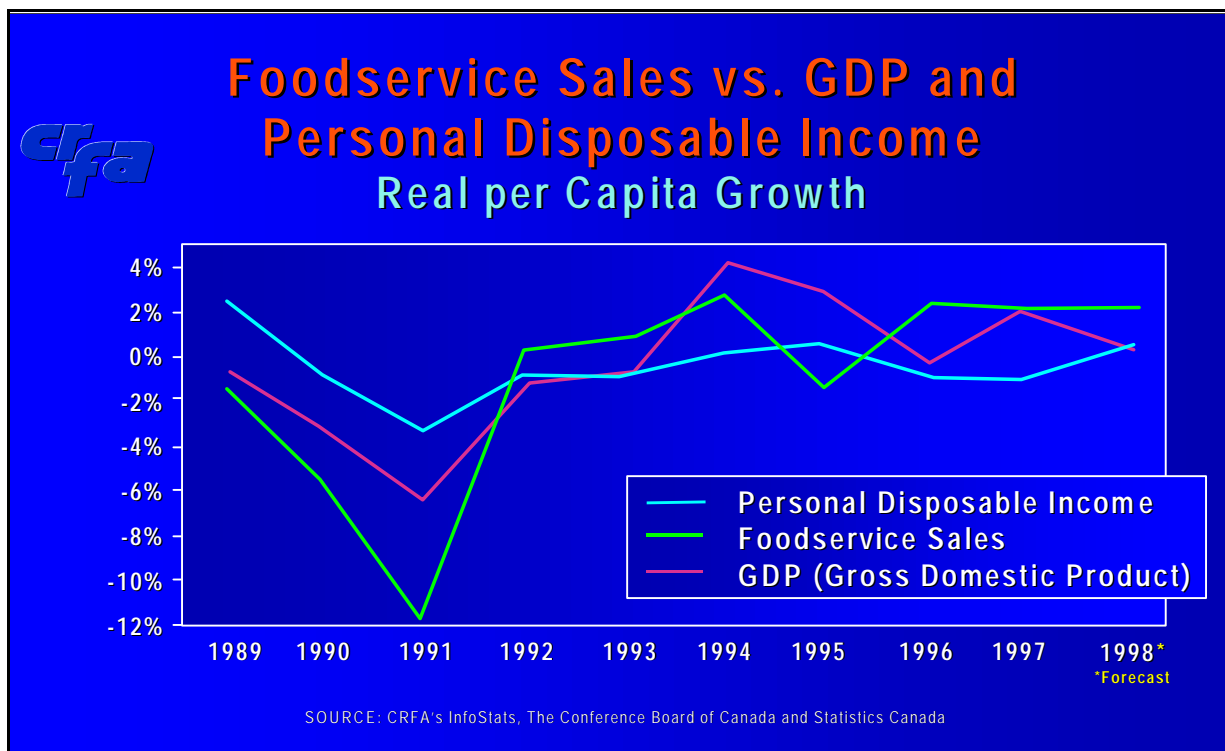
Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Ottawa[CA1], CA

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I. Market Summary

The HRI sector, after three years of declining real growth, grew by 3.1 per cent to reach \$34.6B Cdn. Since the early '90s when HRI market share dropped to a low of 36.8 per cent, the industry has seen market share rebound, largely in the latter half of the decade (to 39.3 per cent in 1998 with 1999 projected at 40.0 per cent). This still falls well below the HRI's peak market share of 42% achieved in 1989. The return of consumer confidence, a gradual increase in profit margins and a decline in restaurant bankruptcies – once the highest in the Canadian economy after personal bankruptcies – have helped fuel a more positive outlook for this sector in the coming years. Real, same-store sales rebounded in 1998, growing by 2.2 per cent – by far the largest gain in the decade. The low Canadian dollar and a booming U.S. economy has helped the HRI sector as Canadians stayed close to home and American tourists came to Canada in record numbers.



The macro economy plays an integral role in the foodservice industry. The two major economic variables influencing the restaurant industry are the Gross Domestic Product (GDP) and Disposable Income (DI). GDP, DI and foodservice sales are pro-cyclical i.e., as economic activity increases, sales tend to increase as well.

Specific to DI, the Canadian Restaurant and Foodservice Association (CRFA) has calculated that a one (1) percent increase in disposable income will result in a 1.1 per cent increase in commercial foodservice sales. Simply put, the more money people have to spend, the more likely they are to spend the money in a restaurant. Other variables such as the Goods and Services Tax (GST) and the unemployment rate also contribute some explanatory power to the commercial foodservice industry.

Tourism, especially in the Atlantic region, has been a key factor in the HRI industry. Canada's low dollar has attracted tourists from other nations, especially the U.S. As the Canadian dollar fell below \$0.70 U.S. in value, many Canadians have opted to travel and explore their own country.

There are a growing number of women in the workforce and two-income families. In addition, people are spending more time at work. A growing number of Canadians are in the “sandwich generation”, balancing full-time jobs with caring for their children as well as their aging parents. All of these factors are contributing to the consumer time-crunch, making it increasingly difficult to find the time to cook. As a result, people are becoming more reliant on the foodservice industry to handle their nutritional needs. This has shown up particularly in the breakfast segment, which has seen strong growth in the past couple of years.

With a view into Y2000, sales are projected to cool somewhat as consumers rein in their spending in the face of high debt loads, heavy tax burdens and the likelihood of higher interest rates as the year progresses. Today’s time-starved, value-conscious consumer will undoubtedly continue to drive the demand for quick and convenient meals, giving rise to more demand for drive-through service, home delivery, home meal replacement and more innovative ordering systems. As well, another growing consumer segment continues to search for high-quality, entertainment-oriented dining experiences at a reasonable price, driving the growth and diversity of restaurant concepts offering more than just a good meal.

At the same time the North American food industry is being influenced by changing trends such as vegetarianism, immigration and the increasing prominence of ethnic foods, as well as the demand for healthy yet tasty foods which allows for the occasional decadent splurge. More recently, consumer demand for greater input in the food production process is even beginning to affect how products are grown and sourced, as issues such as irradiation, bioengineering, food safety, product labelling and organic farming come under greater public scrutiny.

Finally, competition has become increasingly fierce in the HRI sector with independents, chains and even grocery stores competing in and vying for a bigger slice of the consumer food dollar.

Sales and Growth in Sales by Sector (\$ millions of dollars)

Type of Establishment	1995	1996	1997	1998	1999	2000f
Full Service Restaurants *	\$11,441	\$11,919	\$12,132	\$12,879	\$13,320	\$14,106
year over year % change	8.2%	4.2%	1.8%	6.2%	3.4%	5.9%
Limited Service Restaurants *	\$7,837	\$8,382	\$9,151	\$10,146	\$10,592	\$11,334
year over year % change	12.7%	7.0%	9.2%	10.9%	4.4%	7.0%
Total Restaurants	\$19,278	\$20,301	\$21,283	\$23,025	\$23,912	\$25,440
year over year % change	10.0%	5.3%	4.8%	8.2%	3.9%	6.4%
Caterers *	\$1,702	\$1,758	\$2,085	\$2,162	\$2,243	\$2,337
year over year % change	6.6%	3.3%	18.6%	3.7%	3.7%	4.2%
Taverns *	\$1,309	\$1,369	\$1,577	\$1,805	\$2,030	\$2,097
year over year % change	-7.1%	4.6%	15.2%	14.5%	12.4%	3.3%
Total Commercial Restaurants *	\$22,289	\$23,428	\$24,945	\$26,992	\$28,185	\$29,874
year over year % change	8.5%	5.1%	6.5%	8.2%	4.4%	6.0%
Institutional **	\$2,214	\$2,665	\$2,463	\$2,303	\$2,299	\$2,298
year over year % change	-2.0%	20.4%	-7.6%	-6.5%	-0.2%	-0.1%
Accommodation ***	\$3,327	\$3,398	\$3,400	\$3,737	\$3,852	\$3,986
year over year % change	10.7%	2.1%	0.1%	9.9%	3.1%	3.5%

Note: f = forecast

Sources: * Statistics Canada

** KPMG

*** Pannell Kerr Forster

Who Gets the Foodservice Dollar?

Commercial – 76%	Non-Commercial – 24%
Restaurants (full and limited-service establishments) – 66%	Accommodation Foodservice (hotels, motels and resorts) – 10%
Social and Contract Caterers (caterers for social events, and contract caterers serving offices, institutions and remote feeding facilities) – 6%	Institutional Foodservice (in-house catering in hospitals, residential care facilities, schools, prisons, factories and offices) – 7%
Pubs (bars, taverns and night clubs) – 4%	Leisure Industry Foodservice (clubs, theatres, stadiums and refreshment stands) – 3%
	Other Retail Foodservice (snack bars in convenience, discount and other retail stores) – 2%
	Vending (food and beverage machines) – 1%
	Department stores (department store cafeterias and restaurants) – 1%

Definitions:

Accommodation – Foodservice facilities that are contained within a hotel, motel or resort.

Full service restaurants – establishments that may sell alcoholic beverages, provide take-out services, operate a bar in addition to serving food and non-alcoholic beverages. This sector includes full-service establishments known as fine-dining and family restaurants and restaurant-bars.

Limited service restaurants – establishments where patrons order or select items at a counter, food bar or cafeteria line, and pay before eating. These establishments are cafeterias, fast-food restaurants, food courts, sandwich shops, doughnut shops, coffee shops and take-out restaurants.

Caterers – primarily engaged in providing food services for events such as graduation parties, wedding receptions, and trade shows. The category also includes establishments supplying food services under contract for a specific period of time. This includes establishments providing food services to airlines, railways, and institutions, as well as establishments operating food concessions at sports and similar facilities.

Taverns – primarily engaged in preparing and serving alcoholic beverages for immediate consumption. This category includes establishments known as bars, taverns, pubs, cocktail lounges, and nightclubs.

Institutional - In-house catering in hospitals, residential and retirement care facilities, schools, travel, leisure, prisons, military bases, banquet halls, factories and offices.

In 1999, there were 21,771 full service establishments and 22,378 limited service establishments giving a total of 44,149 restaurants. In addition, there were 5,387 caterers and 4,738 taverns.

Advantages and Challenges Facing Eastern Canada's HRI Sector	
Advantages	Challenges
<ul style="list-style-type: none"> Canadians perceive U.S. produced food products specific for HRI as being safe and of very high quality standards and value. 	<ul style="list-style-type: none"> There is a growing awareness and concern among Canadian consumers regarding food and biotechnology (including genetically modified organisms)
<ul style="list-style-type: none"> Of the top 100 HRI companies in Canada, 59 are located in Ontario; 8 are located in Québec; 2 are located in the Maritimes and 7 are U.S.-based. The remaining are located in western Canada. 	<ul style="list-style-type: none"> Canadian personal disposable income is significantly less than that of the U.S. Only 4% of dinners eaten at home are purchased from restaurants – less than half of the rate in the U.S.
<ul style="list-style-type: none"> Clear recognition of and confidence in many Canadian-based U.S. hotel, restaurant and fast food establishments e.g., McDonald's, Burger King, Wendy's, Starbucks Coffee, Marriott Services, etc. 	<ul style="list-style-type: none"> Canadians continue to closely watch their spending in foodservice establishments, leaving little or no room for restaurateurs to raise menu prices to cover cost increases
<ul style="list-style-type: none"> Continued weakness of Canadian dollar relative to the U.S. dollar continues to attract many American tourists, visitors and conventions 	<ul style="list-style-type: none"> Consumers are increasingly trading sit-down dining for take-out meals eaten in the car, at home or at the workplace resulting in smaller, per transaction sales (\$2.10 vs. \$5.60 in traditional foodservice establishments)
<ul style="list-style-type: none"> Strong expansion of recognized (Canadian-based) U.S. hotel, restaurant and fast food establishments across Canada projected 	<ul style="list-style-type: none"> Percentage of total household expenditure spent on restaurant meals up grew only 0.1% from 1969 to 1996 (to 3.1%) whereas percentage of total household expenditure on personal taxes rose from 12.6% to 21.8% in the same period
<ul style="list-style-type: none"> Computer software and electronic commerce increasingly used within the HRI sector helping to create a direct working relationship between U.S. suppliers and Canadian branch offices/HRI facilities 	<ul style="list-style-type: none"> The investment in technology is substantial and the supplier must be able to meet shipping requirements quickly
<ul style="list-style-type: none"> Canada's ethnic composition has introduced many new cuisine experiences into the Canadian diet 	<ul style="list-style-type: none"> Canadians already have a great variety of food products available to them through a growing list of specialty ethnic restaurants

II. Market Entry

Consolidation within the HRI sector, particularly in the foodservice and supply arenas, has rocked this segment over the past two years. Unit expansion and brand awareness became priorities in 1998 with many of Canada's major foodservice and hospitality companies beginning or continuing ambitious growth strategies. Rapid expansion in the quick-service sector through combo-unit, joint ventures and non-traditional location expansion highlighted late '90s expansion plans. Acquisitions, though still a viable method of growth, were not as frequent in 1998 with just a handful of companies joining forces. These changes as well as the addition of several new companies elevated Canada's Top 100 companies to a level wherein they now represent 62.1 per cent of the total Canadian foodservice industry, up from 59.5 per cent in '97. The majority of new companies are found in the hotel and convention industry, a sector that continues to enjoy strong growth in most Canadian markets.

One of the strongest growth areas in recent years has occurred in the non-traditional foodservice segment. This includes such innovative formats as mobile vending, island stands, kiosks, service backpacks, trucks and through-the-wall windows as operators strive to take their branded product(s) to market.

U.S. exporters seeking to penetrate the (eastern) Canadian HRI sector may be pleased to find that 59 of Canada's Top 100 companies are headquartered in Ontario; eight are in Québec; seven are U.S.-based; and just two are headquartered in the Maritimes. The remaining companies are headquartered in western Canada.

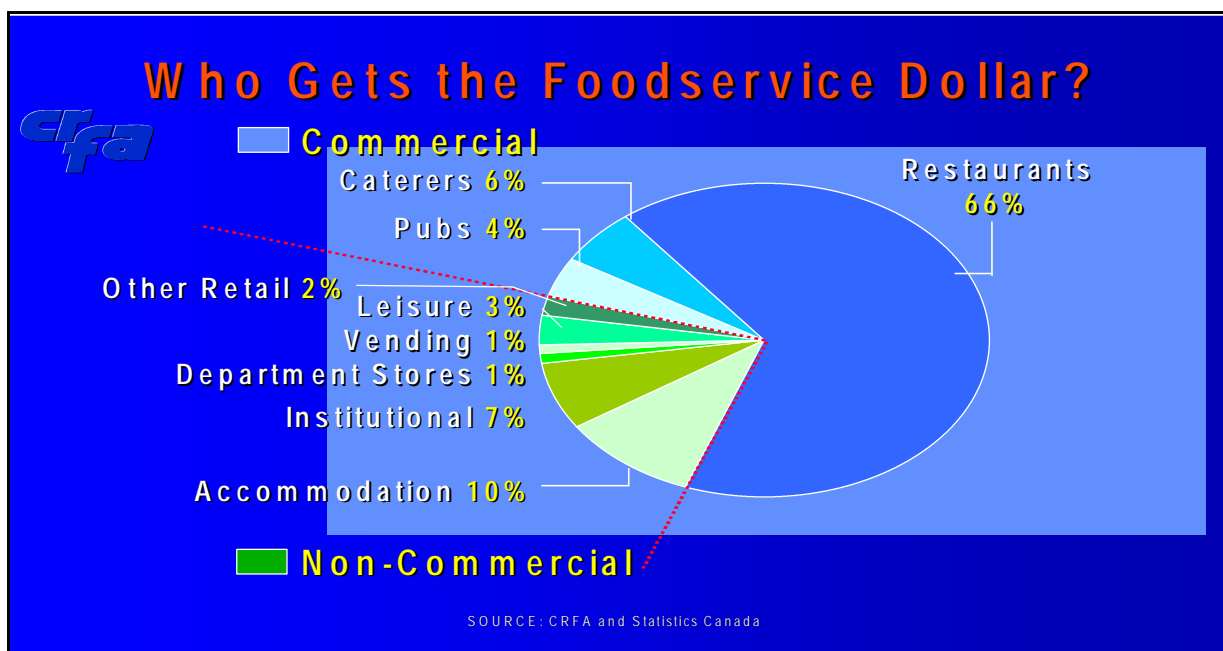
With Canada's population largely urban based (over 90 per cent of Canadians live within 150 miles of the Canada-U.S. border), market entry into Canada can be both simple and/or complicated. Depending on the exporter's product line and manufacturing/shipping capabilities, U.S. exporters may be able to successfully establish direct business contacts with large volume / upper-end HRIs. Because of Canada's ethnic diversity, sheer geographical size and widely spaced urban centers, HRIs may utilize multiple local, regional, provincial or national suppliers to fill their product needs on a timely basis.

Most large sized HRIs are supplied by established agents/brokers/distributors in Canada. These firms have the necessary sales force located across the country to facilitate HRI sales. Other popular market entry options include product specific, direct-to-HRI-account sales (e.g., fresh/perishable commodities, "branded" products), through major foodservice operators (e.g., Sysco-Strano, Serca Foodservice) and specialized/standard food wholesalers (depending on urban market size), and local jobbers purchasing produce direct off local suppliers.

Smaller HRIs may purchase their food/product requirements through large retail and wholesale establishments (e.g., Costco) to maximize their individual buying efficiencies. Particularly in the institutional sector, sector specific HRI buying groups have been formed to maximize buying and logistical efficiencies for all parties involved, and remain cost/supply competitive in each segment. Finally, some major U.S.-based exporters have found it successful to place their own Canadian-based employee(s) in Canada to best represent and direct their HRI interests

As in the retail sector, Canada has rapidly adopted new technologies that increasingly allow HRIs to communicate with their foreign and domestic suppliers. Computer category management and continuous product replenishment software programs (EDI/ECR/EFR), along with Internet sales are increasingly allowing for a much closer working relationship.

Specific to EFR (efficient foodservice response), while not a burning issue today, HRIs are seeking suppliers who can deliver products on a just-in-time, as needed, direct to account basis. As an example, today's HRIs are seeking increased weekend deliveries to cover their Friday through Sunday business cycle (>50% of total weeks business), yet many foodservice suppliers do not or are not prepared to offer this service. To further reduce operating expenses such as medium and long-term storage of goods, HRIs are increasingly demanding 'just-in-time' direct account deliveries as their needs arise. Presently, EFR is largely being driven through the manufacturing community. And while EFR is designed to reduce costs and provide better accuracy, the foodservice industry doesn't want to walk by any promotional or over-and-above funds that major suppliers/providers may be able to provide.



Time-starved and value conscious Canadians are increasingly frequenting quick-service restaurants ... and this segment shows no signs of slowing down. In the past two years, it has grown by 10 percent and gained more than two percentage points in market share. Over 60 per cent of all meal occasions are found within this segment. With a low average check, quick service captures less than half of all foodservice dollars.

Casual dining has seen only a slight increase in market share over the past five years, but the number of meal occasions has nonetheless grown by 6 per cent.

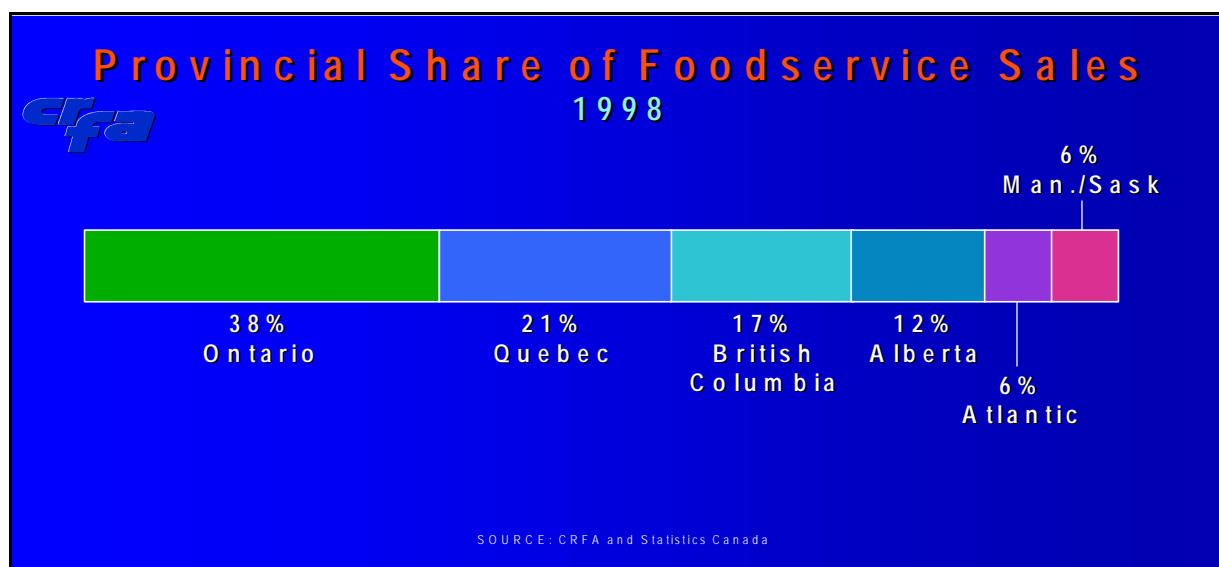
Not only has the family/mid-scale segment been losing the battle for market share, it has experienced shrinking sales. Both the share of meal occasions and the dollar share of this segment have dropped by close to one percentage point in two years, however they've seen a small 2 per cent increase in their average check value.

The fine-dining segment has been losing market share of meal occasions but has maintained a relatively consistent share of dollars by growing the average check, which has grown by 4 per cent.

For the third consecutive year, growth in foodservice sales has outpaced population growth, resulting in solid gains in per capita foodservice sales. Adjusted for inflation, foodservice sales per capita grew by an estimated 2.2 per cent in 1998. Sales per capita are still 13 per cent lower than they were in 1989. Recovery from the recession of the early 1990s has been slow. Canada's economy continues to be plagued by a heavy tax burden which has reduced disposable (after-tax) income. Compared to 1989, Canadians have seen a reduction in their average gross income of more than 1 per cent and a much larger reduction in their disposable income of over 6 per cent. Taxes have taken a greater and greater bite out of the income of Canadians. Federal and provincial government taxes on income climbed to a record 25 per cent of personal income in 1998, up from 21.5 per cent at the end of the 1980s.

Canada's regional disparities in earnings, wealth and spending patterns have had a pronounced effect on per capita foodservice sales in 1998. In Atlantic Canada, quick-service restaurants grab a much higher share of traffic than in other parts of Canada, resulting in a low average check for the region. A thriving tourism industry and strong economic growth spurred by major off-shore energy projects has boosted HRI optimism in the Maritimes.

In the French-speaking province of Québec, Quebecers are more than twice as likely to visit a fine dining establishment than are Canadians in other provinces and, as a result, have a higher average check. Improving economic conditions recently have buoyed the spirits within Québec's HRI sector, particularly in the restaurant segment. There is some risk, however, that high menu inflation could dampen inflation-adjusted growth.

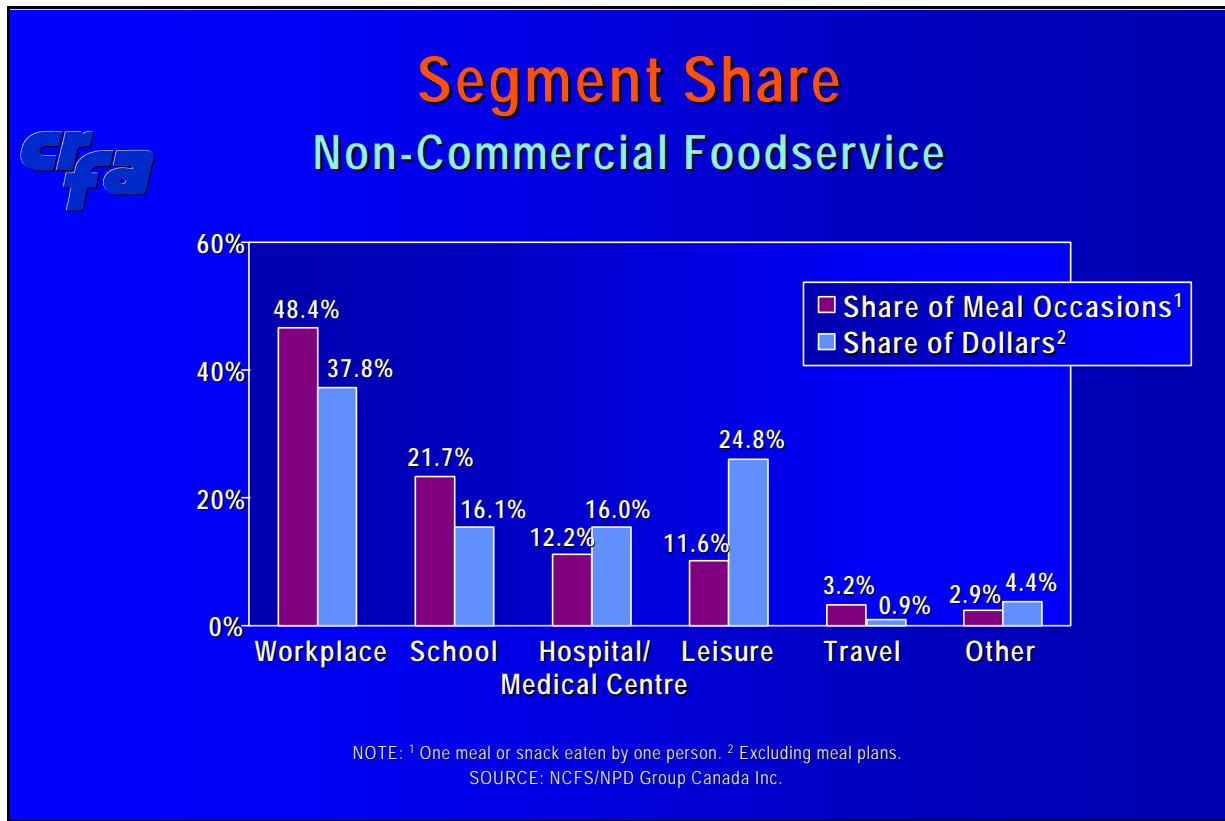


In Ontario, the “engine” of Canada, a strong and diversified economy, and continued provincial income tax cuts, have the HRI sector viewing the foreseeable future with optimism. Although after-tax per capita income is highest in Ontario, foodservice spending is only 80 per cent of Alberta’s per capita expenditure. The solid consumer spending that started in 1997 has finally flowed to the HRI sector as consumers shifted spending from large-ticket items to eating out.

Outlook for Y2000:

Many analysts are cautiously forecasting a slow down in all sectors, including the HRI sector. While the economy is expected to grow by a very healthy 4%, consumer spending --- including foodservice spending --- is expected to decline as Canadians face the realities of higher debt levels, heavy tax burdens, higher interest rate charges and perhaps lower consumer confidence levels.

The low Canadian dollar will continue to benefit hotels, motels and the leisure industry by attracting tourists and business travelers, and keeping Canadians at home.



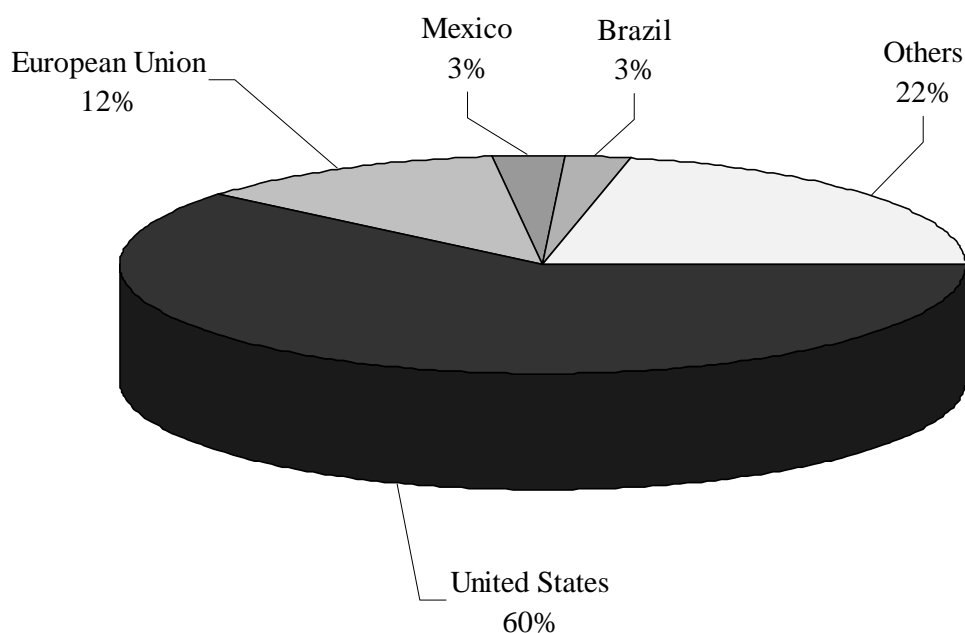
One critical HRI segment resides in Canada's much maligned healthcare sector. After years of dramatic federal and provincial government budget cuts, a more streamlined healthcare system is gradually emerging. At its core though is a healthcare system that encourages rapid post-operative patient discharges to help reduce healthcare system costs. Many hospitals have been closed across the country. For those surviving hospitals, they have seen many wards closed and beds removed so that they, too, could cope with significantly reduced budgets. Healthcare system changes will likely continue to result in a slight decline in institutional foodservice sales in the near future.

III. Competition

Competition both within and for the foodservice dollar is fierce. No matter where a customer turns today, there's multiple food choices available at their immediate fingertips. Gas stations used to sell gas, oil and their mechanical services only; today, they're mini-convenience stores. Grocery stores, challenged by a growing HMR segment, have adopted their own formats to provide a total shopping experience for convenience and time-starved shoppers.

The Canadian food industry serves as the primary competition for potential U.S. exporters. As the United States' second largest trading partner for agri-food products, Canada has access to a majority of the same foodservice related items as Americans do. In 1998, Canada imported nearly \$7 billion (US) worth of agri-food products from the U.S., compared to approximately \$4.4 billion from 70 other countries.

1998 Canadian Agri-Food Imports



For U.S. exporters seeking entry into Canada, one of the loudest and most consistent messages being echoed throughout the foodservice sector corridors is “build partnerships and relationships with us.” Foodservice operators are seeking help to develop unique consumer products as well as providing efficiencies to help them meet today’s challenges.

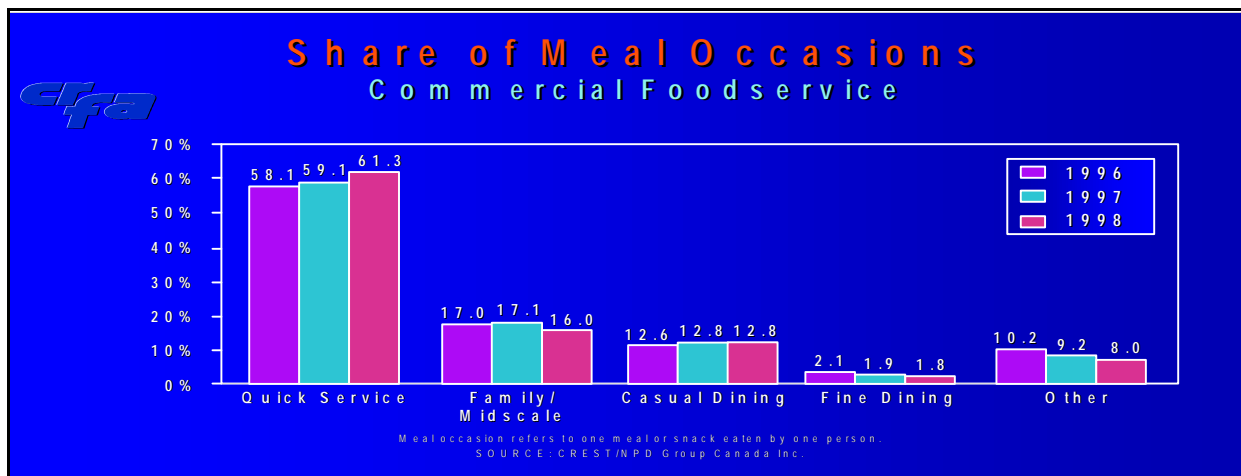
For information on current Canadian trade and economic policies, refer to the Export and Import Controls section of the Canadian Department of Foreign Affairs and International Trade (DFAIT) web site (www.dfait-maeci.gc.ca). Further information on specific commodities can be obtained by contacting:

Richard Bertrand (Dairy Products) - (613) 996-2594

Keltie Findlay Leclair (Eggs) - (613) 996-4333

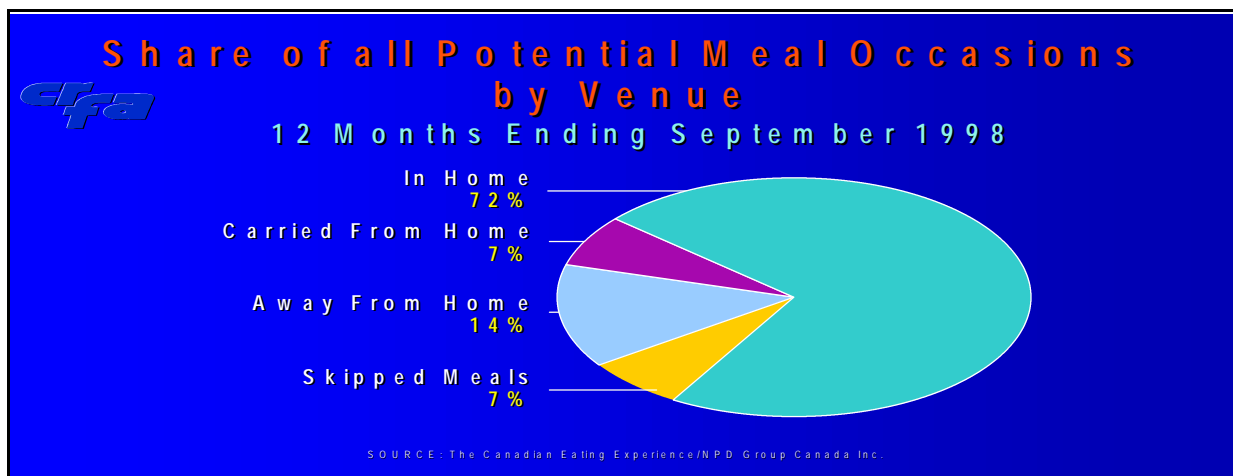
Daniel Kane (Poultry) - (613) 995-7765

IV. Best Product Prospects - Canada



Time-starved, value conscious and a taste for convenience foods ... that quickly defines Canadians in the HRI arena! Overwhelmingly, the quick-service sector has grown rapidly as the HMR segment reacts to the lifestyles of today's busy professionals. Canadians also expect superior quality food and food safety to be provided, and while they may be prepared to spend slightly more, brand awareness, value and convenience remain high on their priority list.

Despite the growing popularity of eating out, Canadians still eat most of their meals at home according to research conducted by the NPD Group Canada Inc.



- 72% of all meals are eaten at home – much higher than in the U.S. where 69% of meals are eaten at home
- 14% of all meals in Canada are eaten away from home compared to 16% in the U.S.
- Canadians brown-bag their meals (7%) more often than Americans (5%), but skip meals (7%) less often than their American counterparts (10%)
- Only 4% of dinners eaten at home are purchased from restaurants – less than half of the rate in the U.S.

- Half of the meals purchased from a restaurant and eaten at home are for dinner, and a quarter are for lunch
- Americans eat out more often than Canadians due to a higher level of disposable income and lower food costs in the U.S.
- Canadians source one in five of their snacks away from home, compared to one in eight of their main meals, largely due to the amount of time that Canadians are away from home between meals because of work, school and leisure activities
- Only 6% of breakfasts are eaten away from home, compared to 20% of snacks
- The favourite away-from-home snacks are baked goods, which account for six of the 10 most popular away-from-home snack foods
- Canadians eat lunch away from home more often than they eat dinner away from home

A. Products in the Market which have Good Sales Potential

Foreign Flavors - Ethnic foods continue to grow in popularity with Canadian consumers. Factors such as a Canada's growing immigrant population, the consumer's demand for variety, frequent international travel and exposure to popular American ethnic food trends affect the expansion of this product category. Italian, Asian (including Chinese, Thai, Indian, and Japanese), West-Indian, African, Middle Eastern, Greek, Portuguese, Spanish, Mexican, South American and Cajun are the most popular tastes and flavors sought by Canadians. A caveat related to this category is Canadian grocery stores already have a wide selection of popularized ethnic food items such as Mexican salsas, or Italian tomato sauces.

Functional Foods and Fresh Produce - Nutritional and functional foods are another food category that is expected to grow within the Canadian diet. An increasing amount of Canadian consumers are concerned with maintaining a healthy lifestyle and seeking foods that are lower in fat and cholesterol, but continue to offer appealing flavor.¹ Foods that have demonstrated disease-fighting capabilities, including soybean products continue to grow in popularity as well.

Canadians consume greater quantities of fresh fruits and vegetables than their American counterparts. The average Canadian eats an estimated 490 lbs. of fruits and vegetables in one year, compared to about 204 lbs. consumed by the average American.² This has led to an increasing demand in Canada for fresh fruits and vegetables. Canada grows much of its own produce, but because the growing season is short (perhaps six months) there is opportunity for U.S. producers to sell fresh produce in Canada during Canada's non-growing season (November to June). Canada's northern climate also prevents the growing of many popular produce items such as citrus fruits. For foodservice operators seeking to reduce labour costs, pre-washed, pre-cut and pre-packaged foods are growing in popularity.

¹Canadian Grocer 1999 Executive Report

²Statistics Canada, www.statcan.ca and Produce Marketing Association, "U.S. Fresh Produce Industry Consumption Statistics and Trends, 1998."

Seafood - particularly frozen seafood, is another growing product category in Canada. While Canada is a prime producer of seafood, declining seafood stocks in nearby waters has caused Canada to increase its imports of seafood every year for the past five. Any new and interesting varieties or flavor of seafood should be of interest to Canadian foodservice buyers.

Home Meal Replacements - or meal solutions may offer an opportunity for U.S. exporters if they can provide a tasty, nutritious and well-priced meal for the Canadian marketplace. While meal solutions are not nearly as well developed in Canada as they are in the U.S., they are growing slowly. The challenge facing home meal replacements in Canada is a more pronounced European cultural influence exists here. Canadians still demonstrate a preference to spend more time at home, preparing their own meals than Americans.³ The average Canadian spends approximately 16% of their total food budget on meals outside the home, compared to 24% spent by the average American.⁴



Note: Using data from CREST Canada, CRFA tracks the annual increases and decreases in the popularity of various menu items. The “sizzled” list shows the menu items that made the biggest gains in the number of times they were ordered; the “fizzled” list shows the menu items that saw the most significant declines.

³“Speaking of Food and Eating - A Consumer Perspective,” The Canadian Foundation for Dietetic Research, Dieticians of Canada and Kraft Canada.

⁴Canadian Grocer 1999 Executive Report

Foods That Sizzled in 1999

Grill / Broil Chicken Sandwich

Fried Fish Sandwich

Wrap / Pita Sandwich

Cereal

Thin Crust Pizza

Donuts

Danish / Other Sweet Rolls

Specialty Tea

Orange Juice

Bottled Water

Foods that Fizzled in 1999

Ham and Cheese Sandwich

Stew

Turkey

Lasagna

Ravioli

Salads as a Main Dish

Sports Drinks

Top 10 Beverages

1999 Rank	1998 Rank	Beverage Category	Share of Occasions
1	1	Regular Coffee	23%
2	2	Regular Soft Drink	17%
3	3	Diet Soft Drink	5%
4	4	Hot Tea	4%
5	5	Juice	4%
6	6	Milk/Chocolate Milk	3%
7	7	Beer	3%
8	8	Wine	2%
9	9	Espresso/Cappuccino/Speciality Coffees	2%
10	10	Shakes/Malts/Floats/Etc.	1%

SOURCE: CREST/NPD Group of Canada Inc.

Top 10 Foods

1999 Rank	1998 Rank	Food Category	Share of Occasions
1	1	French Fries	24%
2	2	Unsweetened Baked Goods	12%
3	3	Hamburger	12%
4	4	Salads	11%
5	5	Pizza	11%
6	6	Sandwiches	9%
7	7	Desserts	7%
8	8	Sweetened Baked Goods	7%
9	9	Chinese/Oriental/Stir Fry	5%
10	10	Ice Cream/Frozen Yogurt	5%

SOURCE: CREST/NPD Group of Canada Inc.

Unsweetened Baked Goods: croissants, sliced bread/toast, English muffins, bagels, dinner rolls/buns and other breads.

Sweetened Baked Goods: muffins, donuts, cinnamon rolls/buns, danishes and other sweet rolls/buns

Desserts: brownies, cakes, pastries, pies, cheesecake, cookies and other desserts

B. Products not Present in Sufficient Quantities but which have Good Sales Potential

Niche market opportunities exist for unique foods, foods that provide those in the foodservice arenas with a marked decrease in labor, and foods largely targeting speciality and white table cloth restaurants.

C. Products not Present Because they Face Significant Barriers

A potential barrier to entering Canada is a series of quotas Canada imposes on some product categories to protect its own producers. Examples of categories affected are milk products, eggs, and some poultry products. A certain level of market access for these commodities has been granted through bilateral and multilateral negotiations, and the U.S. will continue to seek improved market access through the World Trade Organization (WTO). For further information on current Canadian trade and economic policies, refer to the Export and Import Controls section of the Canadian Department of Foreign Affairs and International Trade (DFAIT) web site (www.dfait-maeci.gc.ca). Further information on specific commodities can be obtained by contacting:

Richard Bertrand (Dairy Products) - (613) 996-2594

Keltie Findlay Leclair (Eggs) - (613) 996-4333

Daniel Kane (Poultry) - (613) 995-7765

Furthermore, the Canadian government currently enforces stringent regulations on the import of certain fresh food products such as poultry and eggs. Any high value food products such as home meal replacements that include these fresh products will face the scrutiny of Canadian food import laws.

V. Post Contact and Further Information

If you have any further questions or comments regarding this report, or require assistance exporting high value foods to grocery retail markets in Eastern Canada, please contact the U.S. Agricultural Affairs Office in Ottawa:

USDA/FAS Office of Agricultural Affairs
U.S. Embassy
Attn. Norval Francis, Jr. or Marilyn Bailey
490 Sussex Drive
Ottawa, Ontario
K1N 1G8

Tel: (613) 688-5267

Fax: (613) 688-3124

E-Mail: agottawa@fas.usda.gov

For more information on exporting U.S. agricultural products to foreign countries, please visit the Foreign Agricultural Service's Internet web site at www.fas.usda.gov.

Potential U.S. new-to-market exporters to Canada are strongly urged to contact:

Agriculture and Agri-Food Canada
Address: Sir John Carling Building
930 Carling Avenue, 10th Floor
Ottawa, ON Canada
K1A 0A6
Contact: Menrmanesh, Kobra – Associate Director, Agri-Food Trade
Telephone: (613) 759-7687 Fax: (613) 759-7499 Email: mehrmaneshk@en.agr.ca
Website: www.infoexport.gc.ca

NOTE: There are Canadian Trade Commissioners in a number of cities in the United States – contact information is on the website. Website also includes World Trade News, Trade Statistics, Export Assistance, Trade Events, International Buyers, Canadian Suppliers, and Investing in Canada section.

As well, for those U.S. exporters seeking possible entry into the processed food and beverage categories as it relates to Canadian companies and the import and export of food products, please refer to the Canadian **Exporters**

Catalogue (www.worldexport.com). Note that this website has the contact information for numerous Canadian companies who are already in the export/import arena.

Other reference directories that may be of use by U.S. exporters targeting the HRI sector include:

The Directory of Restaurant and Fast Food Chains in Canada

Produced by: Monday Report on Retailers

Maclean Hunter Publishing Ltd.

Address: 777 Bay Street, 5th Floor

Toronto, ON Canada

M5W 1A7

(416) 596-5939

Via the Internet:

Canada's Multi-Unit Report: 300 Leading Foodservice Operators – 174 pages

Produced by: Kostuch Information Systems in conjunction with the International Foodservice Manufacturers Association (IFMA)

HRI (Hotel, Restaurant, Institutional) Product Director Catalog File – 135 pages

1,800+ Suppliers and Service Providers (address, tel/fax numbers, contact names, etc.)

Produced by: Kostuch Information Systems and endorsed by the Foodservice Purchasing Association of Canada (FPAC)

Appendix A
The 29th Annual Top 100 Listings
Canada's Top 100 Companies

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
1	1	#Four Seasons Hotels and Resorts Don Mills, ON	\$2,300.0	\$2,119.4	43	A public corporation that manages the world's largest network of luxury hotels and resorts under the Four Seasons and Regent brand names, with a number of minority equity investments in properties under its management. The company currently manages 43 hotels in 18 countries and has an additional 18 properties under construction. Four new hotels are slated to open in 1999 including in Las Vegas, Cairo, London and Paris. During the year 2000, new hotels are expected to open Caracas, Dohan, (Qatar), Dublin, San Francisco, Shanghai and Sharm el Sheikh (Egypt).
2	2	McDonald's Restaurants of Canada, Limited Toronto, ON	\$1,911.0	\$1,816.9	1,085	A public company that is the franchiser and operator of McDonald's Restaurants in Canada and a subsidiary of McDonald's Corporation. In 1998, McDonald's introduced the "Made for You" cooking method to its Canadian stores and the McFlurry ice cream product. The launch has been so successful, McDonald's corporate head office in the U.S. is planning to introduce McFlurry to other McDonald's restaurants around the world.
3	5	#TDL Group Ltd. Oakville, ON	\$1,325.0	\$1,030.0	1,767	A publicly traded company that licenses Tim Hortons, the largest national coffee and fresh baked goods chain, and is a subsidiary of Wendy's International. The company includes 705 standard stores, 379 satellite stores, 369 kiosks and 46 Wendy's combination units. The company plans to open an additional 175 units in Canada and 25 units in the U.S. in 1999.
4	3	Cara Operations Ltd. Mississauga, ON	\$1,246.0	\$1,194.0	1,681	A public corporation and the franchiser/operator of two branded restaurant chains-Harvey's and Swiss Chalet-and three foodservice companies-Summit Food Distributors, Beaver Foods and Airport services. Cara also has a substantial ownership stake in Toronto-based Second Cup and Vancouver-based Spectra Group. This past year, Cara closed 23 Harvey's units, and opened a total of 19 new Harvey's, and 12 new Swiss Chalet locations. The company has also announced its intention to acquire Kelsey's.
5	6	#Canadian	\$1,214.6	\$741.4	58	Canadian Pacific Hotels owns and/or operates

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
		Pacific Hotels Toronto, ON				27 hotels across Canada. Over the last year, Canada's oldest hotel company has gone on an extensive buying spree, purchasing Delta Hotels & Resorts, the Princess Group of Hotels, and most recently San Francisco-based Fairmont Hotels. This year's sales figures include the Princess Hotels, and Delta Hotels (from the period May to December for a total of \$248.6 million)
6	4	Tricon Global Restaurants (Canada Inc.) Rexdale, ON	\$1,167.0	\$1,130.0	1,520	Tricon Global Restaurants (Canada) Inc. comprises restaurant brands KFC, Pizza Hut locations, 850 KFC locations and 117 Taco Bell locations. The parent company owns and operates more than 29,000 restaurants worldwide. Plans for 1999 include Star Wars promotions, the development of a new Taco Bell unit, and continued co-branding and kiosk unit development.
7	7	Yogen Früz World Wide Incorporated Markham, ON	\$645.0	\$590.0	2,516	A publicly traded company that is the world's largest franchiser of frozen yogurt, with more than 4,000 outlets in 74 countries, and a franchisee of Country Style Donuts. The company's key acquisition this past year was the merger with Integrated Brands Inc., a U.S. franchising company which includes brands such as Swenson's and Steve's Ice Cream. Over the next year, the company plans to add some 215 new locations.
8	9	Starwood Hotels and Resorts Worldwide Inc. Toronto, ON	\$559.0	* \$629.6	38	A publicly traded company that is the operator of six brands including Sheraton, Westin, Four Points, St. Regis/Luxury Collection, Caesars and W Hotels. In Canada, Starwood is represented by 19 Sheraton properties, eight Westin properties open and two under construction, and 11 Four Points Hotels by Sheraton open and three under construction. Planned for 1999 are the addition of a Four Points hotel at Winnipeg Airport and in Kamloops, B.C. and Kingston, Ont. Also slated to open next year is a 126-suite Westin resort in Mont-Tremblant, Que. And a second Westin resort in Whistler, B.C.
9	8	ARAMARK Canada Ltd. Etobicoke, ON	\$550.0	\$535.0	1,450	In 1998 Versa Services changed its name to ARAMARK Canada Ltd. The company provides a wide range of services to clients in the health care, campus, business, and sports and entertainment markets. In addition, ARAMARK opened the largest hospital assembly/distribution facility in North America, serving the nine

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
						hospital USSC group in Winnipeg with fully trayed meals on a daily basis.
10	10	Best Western International, Inc. Phoenix, AZ	\$460.3	\$408.9	157	A non-profit membership association of independently owned and operated hotel, motels and resorts. In 1998, Best Western welcomed a new president and CEO. Also implemented this past year was the Business Plus program which is now available at 350 properties across Canada and the U.S. Forty-four areas in Canada have been sited for development over the next several years.
11	11	Subway Franchise Systems of Canada, Ltd. Milford, CT	\$433.5	\$401.7	1,290	A privately owned company that is the franchiser of more than 2,000 locations. Continued expansion is planned over the next year with the addition of 500 new locations worldwide in the non-traditional sector.
12	12	Choice Hotels Canada Inc. Mississauga, ON	\$399.7	\$351.7	232	Choice Hotels Canada has more than 230 locations open and under development coast-to-coast. The company markets seven distinct brands: Clarion, Quality, Comfort, Sleep, Econo Lodge, MainStay Suites and Rodeway inns, hotels, suites and resorts. In 1998, an exclusive partnership was launched with Sears Canada offering Sears card holders the opportunity to use their Sears card as an alternative method of payment. Location openings in 1998 included sites in Alberta, British Columbia, Saskatchewan, Quebec and New Brunswick. Six newly constructed and eight renovated locations are expected to open in 1999/2000.
13	15	Burger King Restaurants of Canada Inc. Etobicoke, ON	\$364.0	\$325.8	283	A division of the public corporation Diageo PLC that is the franchiser/operator of Burger King, with 283 locations in Canada. Highlight of the past year included the opening of more restaurants in Canada than in any other previous year in Burger King's history. Plans for 1999 include the addition of 35 new restaurants and the creation of new restaurant designs.
14	17	Wendy's Restaurants of Canada Inc. Mississauga, ON	\$348.0	\$316.0	267	A publicly traded corporation and subsidiary of Wendy's International Inc. that is the franchiser of Wendy's Restaurants in Canada with more than 5,200 units worldwide, including 267 units in Canada.
15	14	Scott's Restaurants Inc. Markham, ON	\$346.3	\$341.5	404	A Canadian-owned public corporation that is one of the largest foodservice companies in Canada operating 399 restaurants in its KFC and

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
						Highway Travel Centers. In 1998, the Ontario Court of Appeal rendered its decision in the Scott's/KFC litigation. The court ruled that Scott's did not break its KFC franchise agreement as a result of the transaction concluded with Laidlaw Inc. in August 1996, and therefore, KFC had no right to terminate its franchise agreement.
16	16	A&W Food Services of Canada Inc. North Vancouver, BC	\$341.0	\$323.0	525	A privately owned company with more than 500 restaurants across Canada. The company plans to add at least 50 new restaurants in 1999, in a wide variety of traditional and non-traditional locations. The system continues to enjoy strong same-store sales increases.
17	20	*Bass Hotels & Resorts Atlanta, GA	\$300.0	\$276.0	85	The franchiser of five different brands: Holiday Inn Express, Holiday Inn Select, Crowne Plaza, Holiday Inn Sunspree Resort, and Crowne Plaza Resort. The March '98 acquisition of the Inter-Continental Hotels and Resorts chain led to a subsequent name change from Holiday Hospitality to Bass Hotels and Resorts.
18	31	Royal Host Calgary, AB	\$299.7	\$132.0	159	Royal Host (formerly Royco Hotels and Resorts) is a hotel management and franchising company with a management portfolio consisting of 75 hotels and resorts. Travelodge Canada is a subsidiary of Royal Host and administers the Master License for Travelodge and Thriftlodge in Canada with 88 current locations.
19	19	Dairy Queen Canada Inc. Burlington, ON	\$297.9	\$281.0	617	A publicly traded company that is the franchiser/operator of Dairy Queen and Orange Julius. Introduced the Pecan Mud Slide to the menu in 1998. Expansion is planned across Canada in 1999 with an Ontario focus.
20	18	#The Second Cup Ltd. Toronto, ON	\$283.0	\$283.0	669	An independent publicly traded company that is the operator and franchiser of more than 600 stores worldwide. Plans include accelerated expansion of stores across Canada and introduction of The Second Cup brand in new, carefully selected retail and foodservice venues, through a joint venture with Kraft Canada Inc. In the U.S., the company plans to complete the merger with Coffee People, Inc. and become an independent U.S. publicly traded company.
21	22	O'Neill Hotels and Resorts Ltd. Vancouver, BC	\$265.0	\$225.0	52	The past year has been one of tremendous growth for this private hotel management company. The biggest source of growth was through its exclusive management agreement with Canadian Hotel Income Properties Real Estate Investment

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
						Trust, which accounted for the addition of 23 hotels to its managed portfolio. Further growth was achieved through O'Neill's Whistler subsidiary. Powder Resort Properties, as the management agreement for The Residence Inn by Marriott (Whistler) was secured in 1997. In 1999, further growth is expected to come through the addition of more CHIP REIT Hotels, the opening of the Westin Grand in Vancouver and Westin Resort in Whistler.
22	21	UniHost Corporation Mississauga, ON	\$245.3	\$269.0	93	A fully integrated hospitality company involved in the management, franchising and ownership of hotel brands, including Journey's End, Holiday Inns and Comfort Inns. In 1999 UniHost was sold to Westmont Hospitality, a Texas-based hotel management company.
23	26	Prime Restaurants Group Inc. Mississauga, ON	\$226.0	\$200.0	113	Prime is a private company that is a developer, manager and franchiser of East Side Mario's (Canada), Casey's Grillhouse, Pat & Mario's, Red Devil Barbeque & Tavern and Prime Pubs Inc. In 1998, the company expanded on its two newest concepts, Red Devil Barbeque & Tavern and Irish Pubs, with the two brands totaling 14 locations. Plans for 1999 include continued expansion of all brands with the opening of more than 20 new locations.
24	30	#Keg Restaurants Ltd. Richmond, BC	\$213.3	\$143.3	101	A private company owned by Raleigh Corp., an Ontario corporation. Five new restaurants opened in the past year - three corporate and two franchises.
25	27	Les Rotisseries St-Hubert Ltée. Laval, PQ	\$212.0	\$198.0	92	A private company that operates St. Hubert Bar-B-Q restaurants. St. Hubert has undertaken an aggressive renovation plan for several of its units to incorporate a newly developed café/bar section, children's corner, terraces and an open grill concept to its restaurants.
26	24	Sodexho Marriott Services Canada Ltd. Burlington, ON	\$211.8	\$210.0	232	A subsidiary of Sodexho Financière Inc. based in Paris, France that provides contract foodservice in colleges, universities, hospitals and corporate businesses, as well as remote-site management. In 1998 Sodexho Alliance purchased Marriott Management Services (U.S.A. and Canada). Both companies merged their activities in North America.
27	48	Marriott Hotels of Canada Toronto, ON	\$204.8	* \$90.0	15	Mariott Hotels of Canada is a subsidiary of Marriott Hotels International with 15 properties, owned, managed or franchised in Canada. In

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
						1999, the company plans to open five additional properties. Over the past year, the company has established a Canadian head office and opened several new properties including the much-anticipated Niagara Falls property opened in the fall of 1998. By the year 2000, the company hopes to be among the top three hotel chains in the country with a portfolio of 40 hotels coast to coast, representing between 12,000 and 13,000 rooms
28	25	Department of National Defence Ottawa, ON	\$190.0	\$201.7	109	A government agency and group of independent foodservice operations with national performance standards and reporting requirements. Provides foodservice in a variety of conditions and situations, including hospitals, bases, stations, in-flight, field and shipboard catering for the Canadian Armed Forces.
29	29	# Boston Pizza International Inc. Richmond, BC	\$170.4	\$155.0	110	A private company that is the franchiser of Boston Pizza and Boston Pizza Quick Express. The company opened 15 new stores in 1998 and developed a new exterior prototype. While pizza is the focus of the menu, a selection of pastas and exotic pizzas have also been added. Plans for fiscal '99 include expansion into Eastern Canada and the U.S.
30	34	Pizza Pizza Ltd. Toronto, ON	\$165.0	\$130.0	330	A private company that is the franchiser of Pizza Pizza, a chain of take-out and delivery restaurants specializing in pizza, subs, wings, salads and Italian dinners. In 1999, the company plans to open an additional 25 units.
31	46	Kelsey's International Inc. Oakville, ON	\$145.1	\$95.4	81	Now in its 20 th anniversary year, Kelsey's operates three brands: Kelsey's, Montana's Cookhouse Saloon and Outback Steakhouse. The company opened 19 new restaurants in fiscal year 1998, including the first U.S. locations of Kelsey's and Montana's Cookhouse. Earlier this year Kelsey's announced a proposed merger with Cara operations.
32	71	Allied Domecq Retailing International Canada Ltd. Etobicoke, ON	\$140	\$105.0	478	A foreign-owned company that is a subsidiary of Allied-Domecq PLC, which operates Baskin-Robbins, Dunkin Donuts and Togo Sandwich Shops. Plans for Canada include the creation for stand-alone Togo's stores as well as twinning with other concepts in multi-brand sites. Thirty to 35 new units are expected to open in 1990.
33	33	MR. SUB	\$139.0	\$130.0	551	MR. SUB operates as the franchiser for more than 550 stores in Canada. The company

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
		Toronto, ON				celebrated its 30 th year of operation in March 1998. In the past year, the company broadened its menu by featuring new sub entries including Big Country steak & cheese, breaded fish filet and grilled chicken. The soup program was also revamped and launched under the MRS. SOUP brand. Restaurant renovations are under way to reflect a new café design with the goal of having completed construction to over half of the chain by the end of the next fiscal year.
34	28	AFM Hospitality Corp. Toronto, ON	\$138.6	\$185.0	-71	AFM, through its wholly owned subsidiary, Accommodex Franchise Management Inc., is the exclusive master franchiser for Howard Johnson hotels in Canada, with 32 properties. AFM is also the exclusive Canadian master franchiser for Villager Lodge through Ramada Franchise Canada Inc., the master franchiser of the Ramada brand. The pas year saw the opening of eight newly built hotels as well as a restructuring of the company's executive team. Plans for 1999 include the addition of the 110 th franchised location, establishing the Villager Lodge brand in Canada and a renewed growth of the management services division.
35	57	Northland Properties Ltd. Vancouver, BC	\$136.4	\$66.0	72	Northland Properties is a privately held company which owns and operates Sandman Hotels and Inns, Denny's Restaurants and Moxie's Restaurants. During the past year, the company acquired Moxie's Restaurants. Expansion plans include opening three to four Sandman Inns, two to three Denny's Restaurants and nine Moxie's restaurants.
36	35	Hudson's Bay Company Toronto, ON	\$125.0	\$123.0	324	A public corporation that operates 324 varied foodservice operations in Hudson's Bay and Zellers stores across the country, including three fine-dining restaurants in the downtown Toronto Bay store. Plans for 1999 include the addition of four new units.
37	36	Coffee Time Donut Inc. Scarborough, ON	\$122.0	\$115.0	321	A private company that is the operator and franchiser of more than 312 Coffee Time Donuts stores. The company introduced a new past a concept last year called Pasta Works and a new restaurant concept called Under the Sun featuring light lunches and dinners. Plans for 1999 include the addition of 60 locations in Canada and internationally with a focus on Ontario and Western Canada.
38	39	# SIR Corp	\$121.2	\$109.6	34	A private company operating Jack Astor's Bar

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
		Burlington, ON				and Grill, Armadillo Steakhouse, Walt's Grill and Bar, Alice Fazooli's! Italian Crabshack Saloon, Al Frisco's, Far Niente, Papa Leoni's and Canyon Creek. Key events in the past year include the opening of a Jack Astor's restaurant in Calgary, along with two others in Ontario. Additional locations are under construction in Barrie, Ancaster, Halifax and Calgary. Two new Alice Fazooli's restaurants were added in Ontario with one other currently under construction. One new Canyon Creek location is due to open in Mississauga later this year. SIR Corp has also set up a joint venture with Moose Winooski's to expand at a rapid pace.
39	32	Darden Restaurants Mississauga, ON	\$121.0	\$130.0	40	The Canadian operation of the U.S. franchising giant currently comprised of 35 Red Lobster restaurants and five Olive Garden restaurants. Highlights for 1998 included the successful openings of two new prototype restaurants in Toronto and Ottawa. Further expansion is planned Western Canada in Edmonton, Calgary and Winnipeg throughout 1999. Also planned for the upcoming year and several interior remodeling jobs and a new menu.
40	41	Comac Food Group Inc. Calgary, AB	\$118.1	\$106.6	308	Comac is a multi-concept franchise management organization operating more than 300 Company's Coming Bakery Café, Grabbajabba Gourmet Coffee Stores and Pastel's Restaurants.
41	38	Coast Hotels Limited Vancouver, BC	\$114.8	\$111.7	20	A wholly owned subsidiary of Okabe North America which operates 20 hotels across Canada. In 1998, the resort division was created to facilitate future growth in B.C. and Alberta through management and franchise agreements.
42	44	Country Style Donuts Richmond Hill, ON	\$108.0	\$102.0	546	A division of Maple Leaf Foods that is the franchiser of Country Style Donuts. In 1998, the company introduced new product lines for both concepts. Country Style Donuts was sold in early 1999 to management. Plans include expansion in non-traditional locations as well as a continued emphasis on international expansion.
43	50	Starbucks Coffee Company Vancouver, BC	* \$108.0	\$84.3	216	A private company that has 1,886 cafés around the world, including 216 in Canada. The company plans to open at least 400 new stores in North America in fiscal year 1999. A key component in the company's Canadian expansion is a partnership with the Chapters bookstore chain, which has led to significant

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
						growth in major cities and secondary markets such as Kingston, Ont.
44	43	Carlson Hospitality Worldwide Minneapolis, MN	\$107.7	\$102.0	32	Carlson Hospitality Worldwide is one of the world's major hotel, restaurant and cruise ship companies with a total of 1,092 locations in 73 countries. In Canada, the company operates a total of 19 Radisson hotels (all franchised) and 13 Country Inns and Suites (all franchised). (Lodging sales only)
45	40	Restauronics Services Ltd. Mississauga, ON	\$105.0	\$107.0	500	An independent privately owned non-commercial foodservice management company that provides contract catering to educational institutions, hospitals, airports and businesses across Canada. Restauronics employs more than 140,000 people in 46 countries. Highlights of the past year include the acquisition of Delston Incorporated and successful new service contracts with Canadian Museum of Civilization, B.C. Tel., City of London Parks & Recreation, and the Greater Toronto Airport Authority.
46	47	White Spot Restaurants Vancouver, BC	\$103.0	\$95.0	48	In 1998, White Spot introduced its newest concept, Triple O's, a store-front, counter-service brand with a diner feel. The company also moved into the retail market by offering its private-label brand beer and coffee, Nat Bailey pale Ale and Granville House Coffee. In 1999, the company plans to expand the Triple O concept, look for non-traditional sites, and add six new units in the Alberta market.
47	42	Mike's Restaurants Inc. Montreal, PQ	\$102.9	\$104.0	113	A full-support franchise management company operating a network of Mike's Restaurants, specializing in Italian food. The company also introduced Mike's brand pizza sauce, pasta sauce and pizza to major supermarket chains. In 1998, 75 of the chain's 113 locations underwent major renovations. Mike's Restaurants also expanded into Moncton last year.
48	37	Smitty's Canada Ltd. Calgary, AB	\$100.0	\$113.0	111	A private company that is the franchiser of Smitty's Family Restaurants. Smitty's has been in a full expansion mode, opening eight new units across Canada, and planning between eight to 13 new locations next year. New construction will include free-standing buildings at power centers and streamlined designs for triple-use service station/convenience store locations. Smitty's plans to grow its commercial private-label brands, which include its signature

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
						pancake and Belgian waffle mixes.
49	45	Afton Food Group Ltd. Burlington, ON	\$100.0	\$100.0	250	The Burlington, Ontario-based company franchises the Mrs. Powell's Bakery Eatery, Donut Delite Café and Rufages, and 241-Pizza concepts. Plans for 1999 include the addition of 25 new locations. The company is aggressively selling new franchise locations and expanding the brand recognition throughout North America.
50	53	Pizza Delight Corp. Ltd. Moncton, NB	\$95.0	\$73.0	200	A privately owned company that franchises full-service and take-out locations specializing in pizza, pasta and rotisserie style chicken. In June 1998, the company purchased 241 Pizza. They are presently consolidating operations, and plan to open 15 to 20 new units in 1999.
51	49	Little Caesar's of Canada Inc. Mississauga, ON	* \$91.1	\$88.5	165	A private company that is the franchiser of Little Caesar's Pizza. Company was unwilling to disclose information. All figures are estimates.
52	56	Days Inns Canada Toronto, ON	\$79.0	\$68.0	65	A division of Realstar Hotel Services Corp., Days Inn-Canada expects to reach 80 properties by the end of 1999. Included in this growth is the addition of three to five Days Hotels and the addition of five new properties.
53	52	Arby's Of Canada Inc. Mississauga, ON	\$75.5	\$73.2	174	A public company that is a subsidiary of Triarc Companies, Inc. and the franchiser of Arby's restaurants. The company opened 10 new stores across Canada in 1998 and is in the process of a nation-wide testing of TJ Cinnamon's and Gourmet Bakery concepts. Plans for 1999 include the recruiting of franchisees for Ontario, British Columbia and the Maritimes.
54	82	Twincorp Inc. Waterloo, ON	\$73.0	\$30.0	80	A private company that is a franchisee of KFC Canada, Taco Bell Canada and Pizza Hut Canada. Over the past year the company purchased 10 additional KFC stores, 17 additional Taco Bell restaurants and 13 Pizza Hut restaurants.
55	54	The Spectra Group of Great Restaurants Inc. Vancouver, BC	\$70.6	\$71.0	74	The Spectra Group of Great Restaurants is a multi-concept restaurant group currently operating in British Columbia and Washington State. Headquartered in B.C., Spectra has a system total of 74 units including Milestone's, the Bread Garden, The Boathouse and under license from Brinker International, Romano's Macaroni Grill. The company plans to expand its Bread Garden Express units to 40 units. In

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
						1998 the company also closed Romano's macaroni Grill in Vancouver due to fire. It is scheduled to re-open in the fall of 1999.
56	55	# The Great Canadian Bagel Ltd. Etobicoke, ON	\$68.0	\$69.0	166	A private company that is the franchiser of the Great Canadian Bagel Ltd. In 1998, the company continued aggressive expansion throughout Canada and opened a unit in Moscow. Over the next year, the company plans to focus on non-traditional units, adding kiosks in grocery stores, hospitals, university campuses and c-stores.
57	58	Sportscene Restaurants Inc. Boucherville, PQ	\$66.7	\$65.2	41	A public corporation that is the franchiser and operator of La Cage aux Sports restaurants. Also, Sportscene is the owner and operator of four corporate restaurants, 13 joint ventures and 24 franchises in Quebec.
58	-	Hospitality Corp. of Manitoba Inc. Winnipeg, MB	\$65.0	-	5	A privately owned company that owns five suburban Winnipeg hotels including the Windsor Park Inn, Garden City Inn, Express Fort Garry Inn, Transcona Inn and the Fort Garry Inn.
59	-	Nickels Restaurants Inc. St. Laurent, PQ	\$60.0	-	42	A company that is the franchiser of Nickels Restaurants, a chain of 30 full-service family style, casual eateries. In fiscal year 1998 Nickels opened its first two locations in the U.S. and its first five locations in the Greater Toronto Area. Plans in 1999 call for the launch of two new concepts: Firegrill, a casual dining grill concept, and Vinnie Gambini's a trendy new Italian eatery.
60	-	Novotel Canada Inc. Scarsdale, NY	\$60.0	-	7	A public corporation that manages six hotels in Canada bearing the Novotel logo, the Novotel, Ibis, Compri and Sofitel hotel chains, and a franchisee of one Travelodge hotel. Two additional hotels are expected to open in 1999 in Toronto and Montreal.
61	-	Panagopoulos Pizza Franchises Ltd. Abbotsford, BC	\$57.0	\$45.0	100	A privately owned franchiser of pizza restaurants. The company plans to aggressively add locations and build market shares in Western Canada.
62	64	Sutton Place Grande Hotels Group Ltd. Toronto, ON	\$56.9	\$54.2	2	The Sutton Place Hotels is a collection of luxury properties located in Chicago, Newport Beach, Toronto and Vancouver. The company continues to look at expansion as opportunities arise.
63	61	Interaction Restaurants Inc.	\$56.5	\$57.9	93	A private company that is a subsidiary of The Holcom Group, the operator of the Manitoba-

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
		Montreal, PQ				based Salisbury House of Canada, the Territorial Franchisee of Pizza Hut restaurants for the Montreal region and the franchiser of the Cultures Fresh Food chain in Ontario and Quebec.
64	62	B.C. Ferry Corp. Victoria, BC	\$56.0	\$56.0	23	A Crown corporation operating marine transportation along coastal B.C. The company currently supplies 23 ferries and four terminals with foodservice. Panagopoulos pizza is currently servicing a few ferries and on-shore outlets, a concept it plans to expand in the near future.
65	60	Dixie Lee Food Systems Ltd. Ottawa, ON	\$55.7	\$58.4	125	A privately owned Canadian fast-food franchise business specializing in chicken and fish and chips. In 1998, Dixie Lee purchased all rights for the use of the Dixie Lee Trademarks for the U.S. Three locations have been added with nine more stores expected to open in Canada by the end of 1999.
66	63	# mmmuffins Canada Etobicoke, ON	\$55.0	\$55.0	171	A private company that is the franchiser of mmmarvellous mmmuffins, Michel's Baguette French Bakery Café and Muffin Break. Continuing international growth in the Pacific Rim and South America, Michel's Baguette has been redesigned and new menu items introduced to give it an international tone. While the main focus of the company's growth will continue to be on mall development, office centers and transportation centers will also figure prominently.
67	51	Atlific Hotels & Resorts Etobicoke, ON	\$54.5	\$78.0	24	A privately owned hotel management company, franchising various hotel brands including Holiday Inn, Venture Inns, Ramada, Radisson, Embassy Suites, Crowne Plaza and 10 independent hotels and resorts in Canada and Europe. (This year's figures exclude three hotels owned by Ocean Properties within Quebec. The totals reflect the loss of the Venture Inn brand. Nine hotels as of June 1998).
68	-	341 Pizza and Wings Toronto, ON	\$50.0	-	94	A private company that is the franchiser of 94, 341 Pizza and Wings locations in Ontario, serving pizza, wings, salads, and Italian style breads.
69	65	ABC Country Restaurants Inc. Surrey, BC	\$48.5	\$46.0	36	A private company that is the franchiser/operator of ABC Country Restaurants. The company is continuing its chain-wide renovations and Country Décor packages. Kitchen training and menu

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
						development is continuing as well. Plans for 1999 include four new locations in B.C. and Alberta.
70	69	Humpty's Restaurants International Calgary, AB	\$48.3	\$41.5	51	A public company that is a subsidiary/franchiser of Humpty's Family Restaurants, which operates a full-service family restaurant concept in Western Canada. The company opened eight new units last year, and launched a new concept called Rockin' Robin's Diner. Plans for 1999 include the addition of 12 Humpty's Family Restaurants and one Rockin' Robin's Diner as well as the opening of a corporate flagship in Vaughan, Ont.
71	-	Red Robin Restaurants of Canada Ltd. North Vancouver, BC	\$47.0	-	21	A private company and the operator of 21 Red Robin locations in Alberta and B.C. Opened two new units in 1998.
72	95	Correctional Services Canada Ottawa, ON	\$45.0	\$24.0	47	A government agency providing foodservice in 47 federal correctional institutions in Canada. In 1998, the agency established standard operating practices and devised revisions of its religious diet guidelines. In 1998 the agency also implemented a computerized foodservice management and nutritional analysis system called NUTRITEK.
73	66	Taco Time Canada Ltd. Calgary, AB	\$44.0	\$43.6	120	A private company that is the franchiser of Taco Time restaurants. Stores will continue to be opened in Eastern and Atlantic Canada. Over the past year the company opened two new stores in Atlantic Canada and a co-branded store with a submarine operator in Ontario. For 1999, the company will focus on new store growth in Vancouver, Calgary, Edmonton and Winnipeg and will continue to explore co-branding in Ontario.
74	68	Mandarin Restaurant Franchise Corporation Brampton, ON	\$43.1	\$42.0	12	A private company that is the operator of Mandarin restaurants, Chinese buffet-style with take-out and delivery service across Ontario. The company celebrates its 20 th anniversary in 1999 and is planning to open its next location in Mississauga, Ontario in 1999.
75	75	Elephant & Castle Group Inc. Vancouver, BC	\$42.6	\$34.0	20	A public company that operates restaurants in major malls and hotels under three brand names: Elephant & Castle, Rosie's and Alamo Grill. The company has also acquired the Canadian development rights for Rainforest Café, and has

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
						opened three units in Vancouver and Toronto with plans to open five units in the next two to three years.
76	-	Royop Hospitality Corporation Calgary, AB	\$41.4	-	58	In 1998, 15 new franchises opened in Canada. There are 30 properties under development in Canada for 1999, and in 2000 there will be 100 properties opened in Canada.
77	70	Donato Food Corporation Mississauga, ON	\$40.0	\$38.1	126	A private company that is the operator of Mrs. Vanelli's and Made In Japan restaurants. International and Canadian expansion is being aggressively pursued, and renovations and upgrades of existing locations will continue in 1999.
78	74	Timothy's World Coffee North York, ON	\$40.0	\$35.0	86	A private company that operates a chain of specialty coffee stores and cafés. In 1998 Timothy's developed wholesale, co-branding relationships with Continental Airlines, Time Warner Communications, Silcorp (Mac's Convenience Stores), London Health Centers, Ambassador office Coffee Services, and Coffee Distributing Corp. Twelve new locations were added in Canada.
79	77	Pizza Nova Restaurants Ltd. Scarborough, ON	\$39.2	\$33.5	75	Pizza Nova is a privately held pizza restaurant chain specializing in quality Italian offerings. In the last year, the company opened new locations in Cuba and Canada, and plans to continue international expansion over the next year.
80	67	Baker's Dozen Donuts Corporation Mississauga, ON	\$38.0	\$42.5	77	A private company that is the franchiser of Baker's Dozen Donuts, which operates 77 units in Canada serving coffee and baked goods. In the past year, the company introduced a series of new items, including espresso and cappuccino. It also added two franchised units in Palestine, and plans to open an additional six units by the year 2000.
81	78	Liverton Hotels International Inc. Toronto, ON	\$37.6	\$33.4	2	Liverton Hotels International Inc. is a private company founded in 1993 to operate the Metropolitan Hotel in Toronto. It now also includes the Metropolitan hotel in Vancouver. In 1998, the hotel company opened a new restaurant called Sen5es which also features a retail gourmet shop. (Sales do not include Sen5es Restaurant)
82	76	# New York Fries Toronto, ON	\$37.5	\$33.5	135	A private company that is the franchiser and operator of 135 New York Fries fast-food outlets. In May 1998, the company signed a master license in South Korea where two stores

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
						currently operate with a third store on the way. A master license was also signed in February 1999 for Taiwan, where two stores are under construction and are due to open in spring 1999. Through the partnership with Famous Players Theatres, New York Fries added a dozen new units over the past year and will add another unit over the next year.
83	-	Centennial Hotels & Suites Halifax, NS	\$36.5	-	5	Operating nationally, Centennial Hotels Limited provides management direction and strategic planning to client hotels. Centennial Hotels currently owns and manages five hotels with 1,068 rooms, including the Lord Nelson Hotels & Suites, the Prince George Hotel, and the Cambridge Suites Hotel in Halifax; the Cambridge Suites Hotel Sydney in Sydney, N.S.; and the Cambridge Suites Hotel Toronto.
84	72	A.L. Van Houtte Ltée. Montreal, PQ	\$35.6	\$36.9	82	A.L. Van Houtte is one of the largest integrated organizations in the North American gourmet coffee industry with 82 cafés across Canada.
85	-	# Joey's Only Seafood Calgary, AB	\$35.0	-	71	Joey's Only Seafood is a privately owned franchiser of seafood restaurants with 63 units in Canada, primarily in Western Canada.
86	99	Edo Japan Calgary, AB	\$35.0	\$20.0	100	The franchiser of Japanese fast-food Teppen-style kiosks in major shopping centers.
87	85	Richtree Inc. Toronto, ON	\$34.8	\$28.1	22	A public company that holds a master franchise and license from Mövenpick (Switzerland). In 1998, Richtree Inc. opened 10 new units including Marché and Marchelino restaurants at the Prudential Center in Boston, as well as Place Ville Marie in Montreal, and a joint venture with Loblaws which saw six new Take Me Marchés open in supermarkets.
88	90	Perkins Family Restaurants Memphis, TN	\$33.1	\$26.1	16	Perkins Family Restaurants, L.P., operates and franchises 466 restaurants including 16 units in Canada.
89	73	Groupe Valentine Inc. St-Hyacinthe, PQ	\$33.0	\$35.0	120	A private company that is the franchiser of 20 Valentine quick-service food operations across Quebec. Renovations to 40 existing locations and 10 new locations are planned in 1998.
90	79	Loews Hotels New York, NY	\$32.5	\$31.5	2	Loews Hotels is a division of the diversified Loews Corporation. It currently owns and/or operates 14 hotels and resorts including two in Canada-Loews Le Concorde in Quebec City and

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
						the Loews Hotel Vogue in Montreal.
91	-	Regal Hotels Toronto, ON	\$32.6	-	1	The Regal Constellation Hotel is owned by the Hong Kong-based Regal Hotels International. Over the past year, the 710-room convention hotel renovated its rooms and re-opened the Grill Room, the hotel's fine-dining restaurant.
92	-	Executive Inn Inc./Executive Inn Hotels & Suites Burnaby, BC	\$32.0	-	10	A publicly traded company that is the operator and franchiser of 10 Executive Inn Hotels. In 1999 the company entered into five management contracts and eight licensing and marketing contracts with Executive Inn Hotel properties.
93	92	Matoyee Enterprises Inc. Ville St- Laurent, PQ	\$31.0	\$26.0	123	The operator and franchiser of more than 123 quick-service restaurants including Tiki-Mind, Sukiyaki, Carrefour Oriental, Franx Supreme, Buffet Dynastie de Chine, Chick N'Chick, Fontaine Sante/Veggirama and panini Pizza-Pasta. This spring, Matoyee officially finalized the acquisition of Fontaine Sante Canada Inc., which will eventually adopt the fully bilingual name "Veggirama." Plans for 1999 include the addition of 15 to 20 new locations.
94	83	Lone Star Café Restaurants Inc. Nepean, ON	\$31.0	\$29.1	12	A privately owned multi-unit company that operates corporate cafés, three franchised Lone Star Cafés and Big Daddy's Crabshack and Oyster Bar. The company opened an Edmonton-based catering operation, and a similar operation will open in Toronto by year's end.
95	-	Treats International Enterprises Inc. Ottawa, ON	\$30.0	\$30.0	148	Plans for 1999 include the Treat Stations program, a lineup of premium bakery treats. Twelve new stores are expected to open in the next two years
96	86	Saint Cinnamon Bakery Ltd. Markham, ON	\$29.5	\$28.3	130	A franchising company specializing in freshly prepared gourmet cinnamon rolls and specialty coffees. Plans for 1999 include continued expansion in Canada and internationally.
97	94	Druxy's Inc. Toronto, ON	\$29.5	\$25.0	47	A private company that is the franchiser of Druxy's Famous Deli Sandwiches. Future expansion is planned for Calgary and Vancouver. Further expansion is planned in Tiger Express and Macs units.
98	89	Husky Oil Marketing Company Ltd. Calgary, AB	\$28.0	\$27.0	47	An independent operator and franchiser of Husky House restaurants. The company plans to open a franchised location in Edmonton in 2000.

RANK		COMPANY	REVENUE (\$MIL.)		UNITS	BUSINESS/OPERATIONS
'98	'99		'98	'97		
99	-	Metro Toronto Convention Center Corporation Toronto, ON	\$28.0	-	1	A government-owned corporation which runs one of the country's largest convention centers. In September 1998, the Convention Center announced the appointment of its new president-Barry Smith.
100	-	Mr. Greek Toronto, ON	\$27.5	-	17	A private company that is the owner and franchiser of 17 Mr. Greek and Mr. Greek Junior restaurants, a smaller version of the Mr. Greek Restaurant, with an abridged menu, self-service and take-out. An aggressive expansion plan is underway to open 80 new units in the next four years in Ontario, Western Canada and the U.S.

* Denotes Estimate

Canadian-owned company whose operations outside Canada are reflected in revenues and units.

Appendix B

Top 50 Foodservice Companies

RANK	COMPANY	REVENUE (\$ MILLIONS)		UNITS
		'97	'98	
1	McDonald's Restaurants of Canada Limited	1,911.0	1,816.9	1,085
2	TDL Group Ltd.	1,325.0	1,030.0	1,767
3	Cara Operations Limited	1,246.0	1,194.0	1,681
4	Tricon Global Restaurants (Canada) Inc.	1,167.0	1,130.0	1,520
5	Four Seasons Hotels and Resorts	920.0	791.5	43
6	Yogen Früz World Wide Incorporated	645.0	590.0	2,516
7	ARAMARK Canada Ltd.	550.0	535.0	1,450
8	Canadian Pacific Hotels	485.9	250.0	58
9	Subway Franchise Systems of Canada Ltd.	433.5	401.7	1,290
10	Burger King Restaurants of Canada Inc.	364.0	325.8	283
11	Wendy's Restaurants of Canada Inc.	348.0	316.0	267
12	Scott's Restaurants Inc.	346.3	341.5	404
13	A&W Food Services of Canada Inc.	341.0	323.0	525
14	Dairy Queen Canada Inc.	297.0	281.0	617
15	Second Cup Ltd.	283.0	283.0	354
16	Prime Restaurants Group Inc.	226.0	200.0	113
17	Keg Restaurants Ltd.	213.3	143.4	81
18	Les Rotisseries St-Hubert Ltée.	212.0	198.1	92
19	Department of National Defense	190.0	201.7	109
20	Sodexho Marriott Services Canada Ltd.	184.3	210.0	232
21	Boston Pizza Int'l Inc.	170.4	155.0	110
22	Pizza Pizza Ltd.	165.0	130.0	330
23	Starwood Hotels & Resorts Worldwide Inc.	157.0	252.6	38
24	Kelsey's International Inc.	145.1	95.4	81
25	Allied Demecq Retailing International Canada Inc.	140.0	105.0	478
26	MR. SUB	139.0	130.0	551
27	Best Western International Inc.	138.1	122.7	157
28	Hudson's Bay Company	125.0	123.0	324
29	Coffee Time Donut Inc.	122.0	115.0	317
30	SIR Corp	121.2	109.6	30
31	Darden Restaurants	121.0	130.0	40

32	Comac Food Group Inc.	118.1	106.6	308
33	Country Style Donuts	108.0	102.0	426
34	Starbucks Coffee Company	108.0	84.3	216
35	Restauronics Services Ltd.	105.0	107.0	500
36	White Spot Restaurants	103.0	95.0	48
37	Mike's Restaurants Inc.	102.9	104.0	113
38	Smitty's Canada Ltd.	100.0	113.0	111
39	Afton Food Group Ltd.	100.0	100.0	246
40	Northland Properties Ltd.	96.1	-	72
41	Pizza Delight Corp. Ltd.	95.0	73.0	198
42	O'Neill Hotels and Resorts Ltd.	95.0	85.0	52
43	Little Caesar's of Canada Inc.	91.1	88.5	165
44	Choice Hotels Canada Inc.	85.6	76.8	232
45	Arby's of Canada	75.5	32.0	119
46	Twincorp Inc.	73.0	30.0	80
47	The Spectra Group of Great Restaurants Inc.	70.6	71.1	74
48	The Great Canadian Bagel Ltd.	68.0	69.0	165
49	Sportscene Restaurants Inc.	66.7	65.2	41
50	Nickels Restaurants Inc.	60.0	-	42

Appendix C

Canada's Top 30 Lodging Companies

RANK	COMPANY	REVENUE (\$ MILLIONS)		UNITS
		'98	'97	
1	Four Seasons Hotels and Resorts	2,300.0	2,119.4	2
2	Canadian Pacific Hotels	1,214.6	741.4	58
3	Starwood Hotels & Resorts Worldwide Inc.	559.0	629.6	38
4	Best Western International Inc.	460.3	408.9	157
5	Choice Hotels Canada Inc.	399.7	351.7	232
6	Bass Hotels & Resorts	* 300.0	276.0	85
7	Royal Host	299.7	132.0	159
8	O'Neill Hotels and Resorts Ltd.	265.0	225.0	52
9	UniHost Corporation	245.3	269.0	93
10	Marriott Hotels of Canada	204.8	89.0	15
11	AFM HOSPITALITY CORP.	138.6	185.0	71
12	Northland Properties	136.4	66.0	72
13	Coast Hotels Limited	114.8	111.7	16
14	Carlson Hospitality Worldwide	107.7	102.0	32
15	Days Inns Canada	79.0	68.0	65
16	Hospitality Corp. of Manitoba Inc.	65.0	-	5
17	Novotel Canada Inc.	60.0	-	7
18	Sutton Place Grande Hotels Group Ltd.	56.9	54.2	2
19	Atlific Hotels & Resorts	54.4	78.0	24
20	Royop Hospitality Corporation	41.3	-	58
21	Liverton Hotels International Inc.	37.6	33.4	2
22	Centennial Hotels & Suites	36.5	-	5
23	Regal Hotels	32.6	-	1
24	Loews Hotels	32.5	31.5	2
25	Executive Inn Inc./Executive Inn Hotels & Suites	32.0	-	8
26	Keddy Hotels	25.5	25.5	10
27	Rodd Hotels and Resorts	24.4	16.4	12
28	Genesis Hospitality Inc.	22.6	-	4
29	Wyndham Bristol Place Hotel	18.4	15.5	2
30	Northampton Group Inc.	16.0	-	12

* Denotes Estimate

Appendix D

The Next 30

RANK	COMPANY	REVENUE (\$ MILLIONS)		UNITS
		'98	'97	
1	Eaton's Food Services Ltd.	26.0	-	45
2	Mary Brown's Inc.	26.0	27.0	60
3	Granners Food Systems Ltd.	26.0	26.0	95
4	Mexicali Rosa's Franchise Group	26.0	23.0	21
5	Chiro Foods Limited	25.7	20.1	31
6	Les Restaurants Giorgio (Amerique) Ltée.	25.6	30.0	30
7	Keddy's Hotels and Resorts	25.5	25.5	10
8	Albert's Family Restaurants	25.0	25.0	21
9	Rodd Hotels and Resorts	24.4	16.4	12
10	Laliberte and Associés Inc.	24.1	22.5	131
11	Pizzaville Inc.	24.0	24.0	66
12	Genesis Hospitality Inc.	22.7	-	4
13	Lick's Concepts Inc.	22.1	20.4	17
14	Planet Hollywood	22.0	-	5
15	Domco Food Services Management Ltd.	21.6	15.8	55
16	Lark Hospitality Inc.	21.0	19.5	2
17	Muffin Plus-Coffee Depot	20.0	14.0	52
18	Champs Foods System Limited	20.0	-	9
19	Il Fornello Restaurants Ltd.	18.5	-	10
20	Wyndham Bristol Place Hotel	18.5	15.5	2
21	Panzerotto & Pizza Ltd.	18.0	17.0	50
22	Chicken Chef Canada Ltd.	18.0	17.0	35
23	Canada Catering Co. Ltd.	17.8	17.9	47
24	Servo Canada	17.5	17.5	3
25	Haroutunian Group of Restaurants Ltd.	16.5	-	9
26	Molinaro's Fine Italian Foods Limited	16.0	-	1
27	Northampton Group Inc.	16.0	-	12
28	Obsidian Group Inc.	16.0	-	14
29	Salisbury House of Canada Ltd.	15.5	15.1	22
30	Le Commensal	15.0	-	10

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Report Number	Title of Report	Date
CA9016	Marketing In Canada	2/18/99
CA9141	Product Opportunities in Western Canada	12/23/99
CA9142	Western Canada Retail Study	12/23/99
CA0001	Eastern Canada Retail Study	1/05/00
CA0007	Product Opportunities in Eastern Canada	1/31/00
CA0022	New England Culinary Institute	2/29/00
CA0030	WUSATA Recruits Grocery Showcase West	3/21/00
CA0032	Agent/Distributor Directory -Eastern Canada	3/21/00
CA0040	Promotional Opportunities Report for Canada	4/3/00

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